



Wholesale Power Market Technical Conference

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Transmission Companies**

Topics

- **Who We Are**
- **The Need for Transmission Investment**
- **Investing in Transmission is our Business**
- **Transmission Pricing**
- **Supporting Market Design/Implementation**

Who We Are



Gross Plant

\$1,200 million

Transmission

8,900 miles

Peak Demand

12,300 MW



\$800 million

2,500 miles

11,900 MW



\$500 million

5,700 miles

7,300 MW



\$2,700 million

15,000 miles

28,000 MW



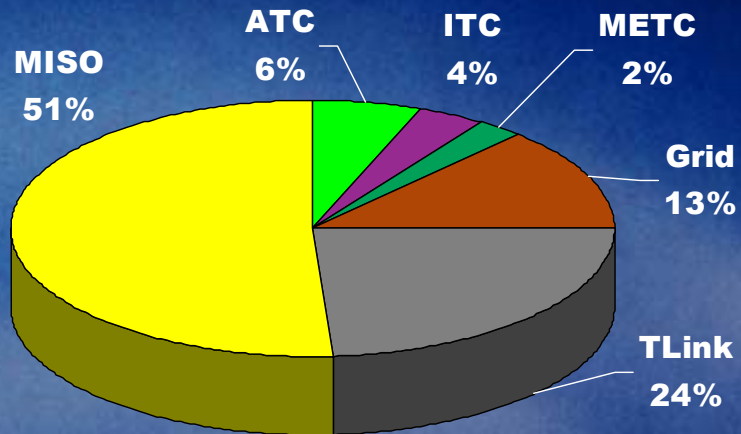
\$5,000 million

38,400 miles

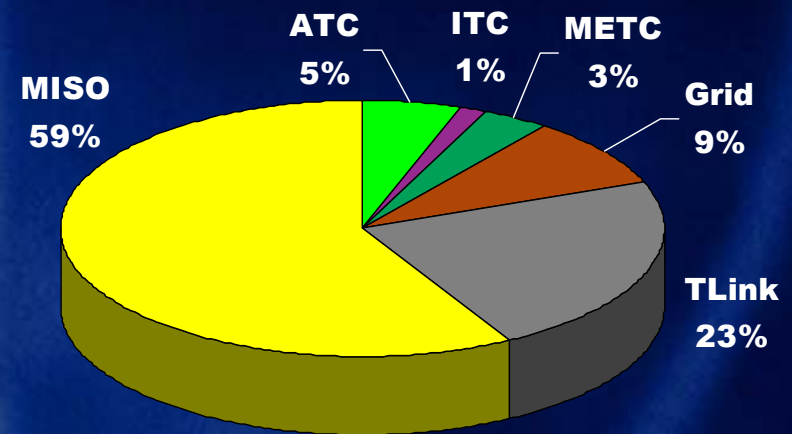
32,600 MW

Who We Are Relative to MISO

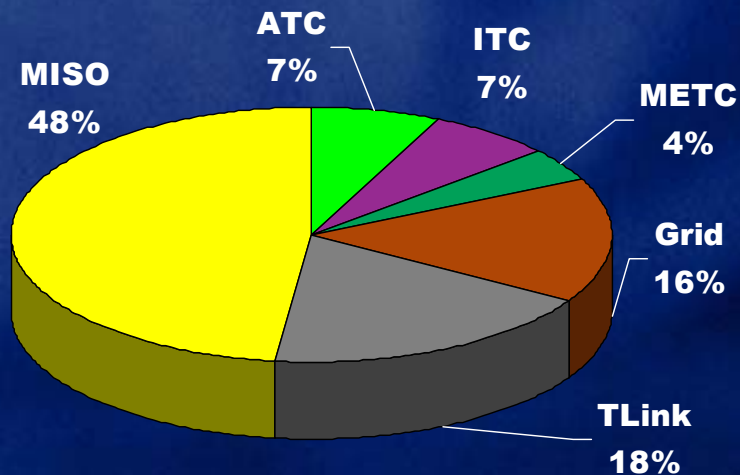
Gross Plant



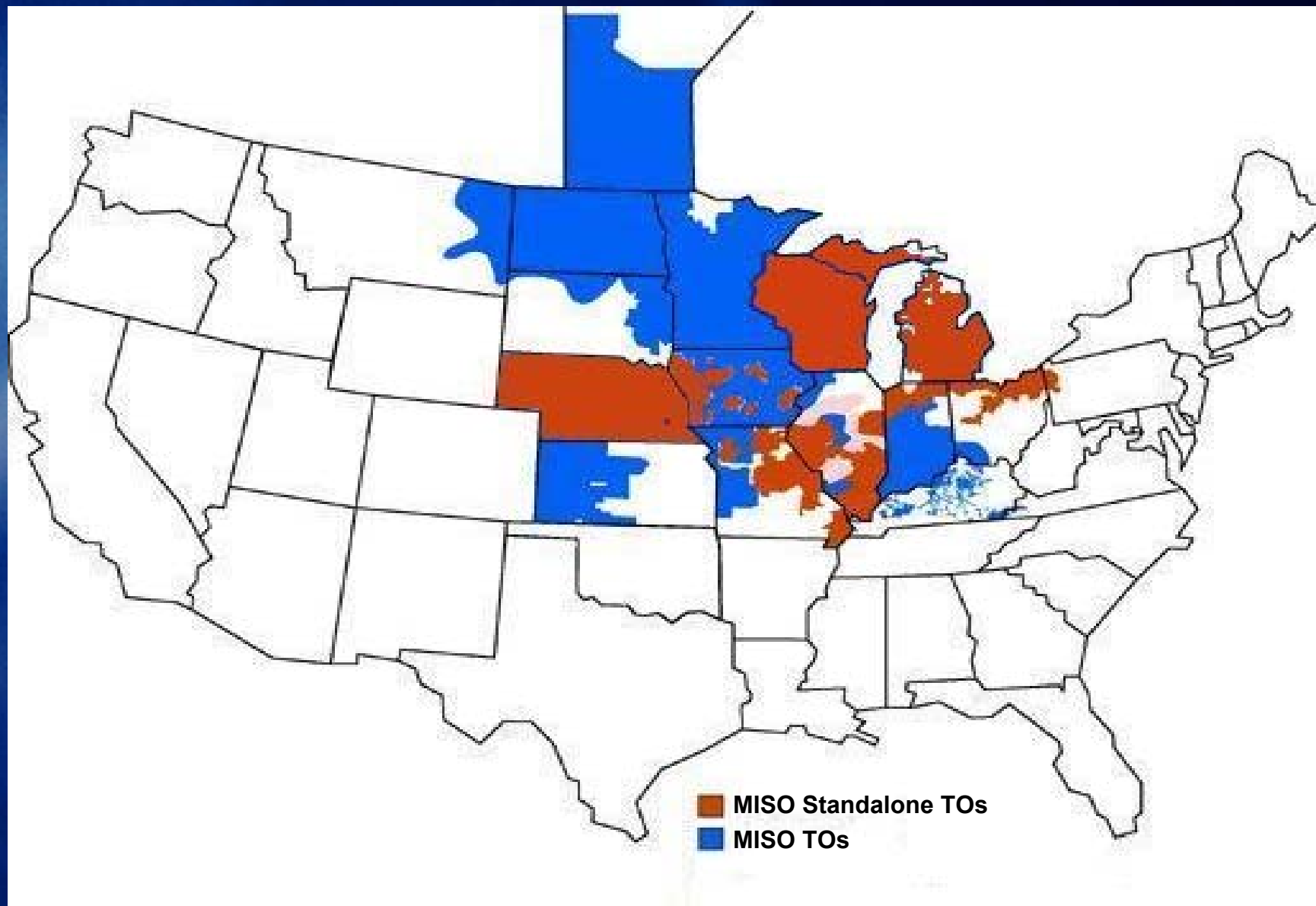
Transmission Miles



Peak Demand

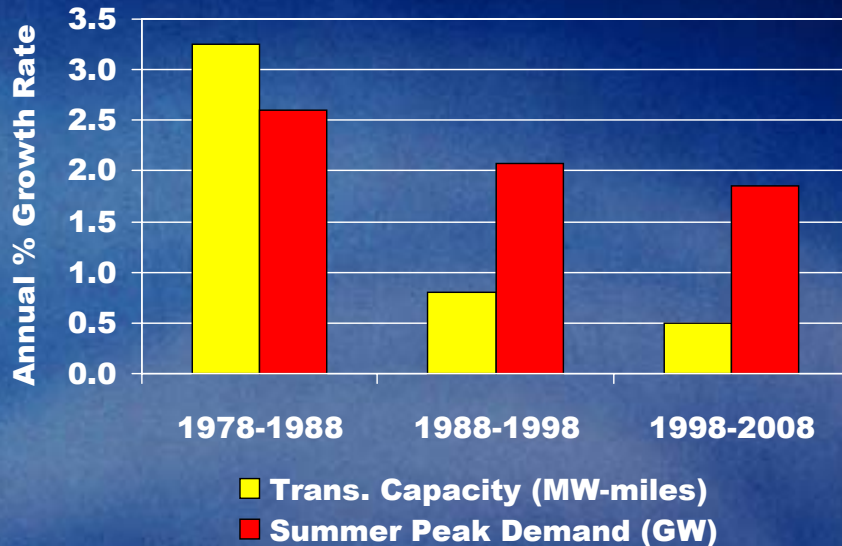


Who We Are Relative to MISO



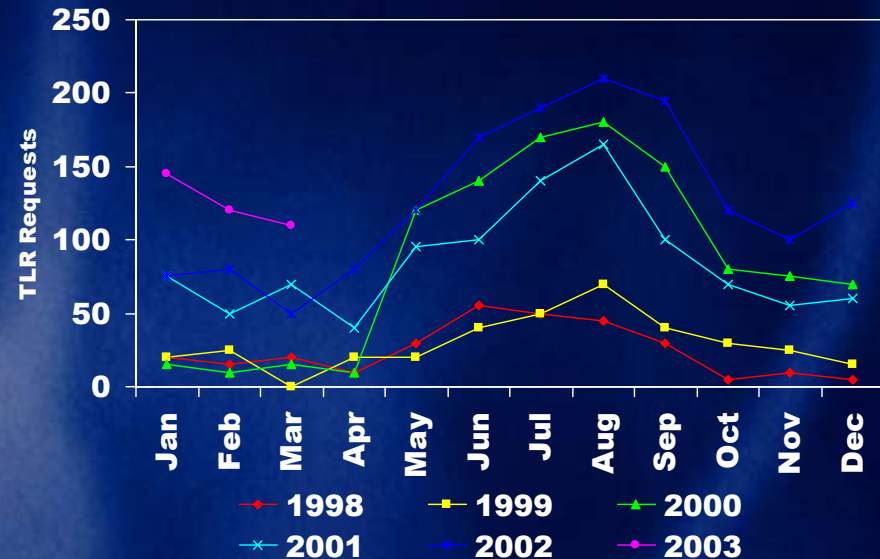
The Need for Transmission Investment

Growth Rates in Transmission Capacity & Demand



Source: Eric Hirst *Expanding US Transmission Capacity*

Transmission Line Loading Relief Requests



Source: NERC TLR Procedure Log

- Transmission investment is not keeping pace with demand.
- Inadequate transmission can be an impediment to the development of robust competitive wholesale markets.

Investing in Transmission is our Business

- **Our business models are premised on investing in the transmission grid.**
 - **As Standalone Transmission Companies we are corporately structured to focus on transmission.**
 - **There is little or no internal competition for capital.**
- **Customers benefit from transmission investment:**
 - **improved reliability;**
 - **reduced congestion; and**
 - **market power mitigation.**
- **The MISO Standalone Transmission Companies want to ensure that the Wholesale Market Platform enables us to bring needed investment to the transmission grid.**

Transmission Pricing

- In order to invest in the transmission grid, the Standalone Transmission Companies feel that pricing is important.
- Conceptually, the following principles should apply:
 - recovery of revenue requirement;
 - minimization of “cost shifts”; and
 - consideration for other innovative recovery proposals.

Supporting Market Design/Implementation

- This will be a stakeholder designed market; however we want to ensure that:
 - we proceed carefully;
 - ensure stakeholder input; and
 - try to “get it right the first time”.
- While the existing timelines for MISO market implementation may be aggressive, the MISO Standalone Transmission Companies are supportive of competitive wholesale markets.